

4-1-1981

# Industrial Composition--Trends and Outlook: Hancock County, 1981

Maine Department of Manpower Affairs

Maine Bureau of Employment Security

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Maine Labor Market Information Services

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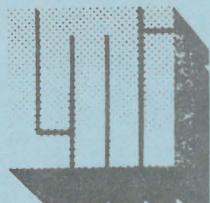
## Recommended Citation

Maine Department of Manpower Affairs, Maine Bureau of Employment Security, Maine Division of Manpower Research, and Maine Labor Market Information Services, "Industrial Composition--Trends and Outlook: Hancock County, 1981" (1981). *Center for Workforce Research and Information Documents*. 468.

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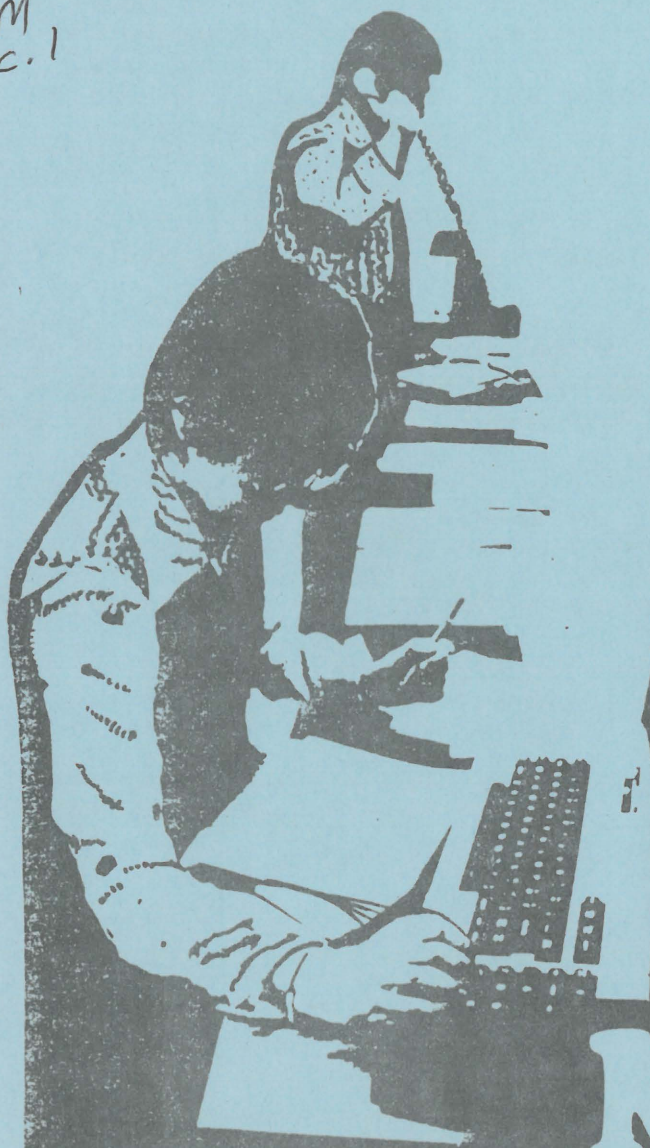
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INDUSTRIAL COMPOSITION--  
TRENDS AND OUTLOOK

HANCOCK COUNTY

# Labor Market Information

BUREAU OF EMPLOYMENT SECURITY

MANPOWER RESEARCH DIVISION 20 UNION ST. AUGUSTA, ME 04330

A BUREAU OF THE MAINE DEPARTMENT OF MANPOWER AFFAIRS



## PREFACE

Given that employment and training programs attempt to intrude or penetrate existing labor markets, an understanding of the industrial structure within such markets is imperative in order to develop effective strategic and operational employment plans. Accordingly, this technical services monograph was designed to provide an analysis of the industrial structure and the dynamics of industrial change in Hancock County to assist employment and training program administrators and planners in assessing local job opportunities. Simply, efforts were directed within the monograph to identify those selected industries within Hancock that have healthier trends, larger employment, and/or more attractive stability.

The accompanying appendix to the monograph identifies additional sources of labor market information that might be applicable for employment and training program planning.

Any questions or comments regarding the contents of this monograph should be directed to Richard R. Rechholtz, Manager for Labor Market Information--Bangor District, Maine Department of Manpower Affairs, Bureau of Employment Security, 45 Oak Street, Bangor, Maine 04401, telephone at 207-942-6351.

Ray A. Fongemie, Director  
Manpower Research Division

April 1981

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A Technical Services Monograph of the Labor Market Information  
Field Services Section, Paul E. Luce, Chief

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## SECTION 1

### CIVILIAN LABOR FORCE TRENDS

Over the five-year period 1976-1980, Hancock County's civilian labor force increased from 18,940 to 19,550. During this period, the county's civilian labor force increased by 3.2 percent compared with an increase of 5.9 percent in Maine. Contributing to such growth in Hancock over the past four years has been the increasing number of women entering the labor force.

Between 1979 and 1980, the civilian labor force in Hancock, Maine, and the United States rose by 4.3, 2.2, and 1.8 percent, respectively. An increase in resident employment and higher unemployment were responsible for the growth in Hancock County's labor force during this period. Resident employment increased from 17,290 in 1979 to 17,940 in 1980, while unemployment rose from 1,450 in 1979 to 1,610 in 1980. According to Lawrence Berkeley Laboratory projections, Hancock County's civilian labor force may increase by approximately 9.2 percent between 1980 and Fiscal Year 1982.

Annual average resident employment in Hancock rose from 17,330 in 1976 to 17,940 in 1980, or an increase of 3.5 percent. During the same period, Maine's resident employment rose by 7.2 percent. Between 1979 and 1980, resident employment in the county rose from 17,290 to 17,940, or an increase of 3.8 percent, while Maine's resident employment rose by 1.5 percent. Limited industrial expansion, a disappointing blueberry harvesting and processing season, and a sharp decline in contract construction activity were mainly responsible for limiting additional employment growth in Hancock in 1980. Lawrence Berkeley Laboratory projects Hancock County's resident employment to increase by approximately 8.3 percent between 1980 and Fiscal Year 1982.

Over the five-year period 1976-1980, annual average unemployment in the county ranged from a high of 1,610 in 1976, declined to a low of 1,170 in 1978, and returned to 1,610 in 1980. Between 1979 and 1980, unemployment rose by 11 percent compared with an increase of 11.4 percent in Maine.

Males accounted for 57.1 percent of the unemployed in Hancock County in 1980. Layoffs in contract construction, lumber and wood products, and other durable goods were largely responsible for a higher proportion of unemployed males in the county.

With a narrow manufacturing base and an economy heavily dependent on summer tourism, seasonality continues to be a major force in Hancock County. The summer-tourist season normally begins in early June and ends by late September or early October. Traditionally, unemployment starts to climb late in the year, remains abnormally high during the winter months, and begins a gradual decline by late March or early April. Because the large number of motels, restaurants, and gift and novelty shops which attract vacationers are located in the coastal communities, seasonal fluctuations in employment and unemployment have a greater impact on

the economy in these areas. Employment and unemployment in Bar Harbor averaged approximately 1,370 and 240, respectively, during the first quarter of 1980 compared with 1,870 and 65, respectively, during the third quarter of the year.

Between 1976 and 1980, Hancock County's unemployment rate ranged from a high of 8.5 percent in 1976 to a low of 6.3 percent in 1978. The county's jobless rate climbed from 7.7 percent in 1979 to 8.2 percent in 1980, while Maine's unemployment rate rose from 7.2 percent to 7.7 percent. Based on projections by the Lawrence Berkeley Laboratory, Hancock County's unemployment rate is projected to increase from 8.2 percent in 1980 to 9 percent in Fiscal Year 1982. This would represent an average of 1,920 persons unemployed in Fiscal Year 1982.

## SECTION II

### LONG-TERM INDUSTRIAL TRENDS

In June 1980 there were 1,290 firms in Hancock County covered under the Maine Employment Security Law. Approximately 33 firms employed 50 or more people. There were 77 firms employing 1,233 people in manufacturing, while nonmanufacturing consisted of 1,213 firms with employment of 10,660.

Between 1975 and 1979, manufacturing accounted for approximately 20 percent of total nonfarm wage and salary employment in Hancock County. Paper and allied products, food and kindred products, and transportation equipment, three of the largest manufacturing industries in Hancock County in 1979, accounted for 41.2, 22, and 13.5 percent of total employment in manufacturing, respectively.

Within the county's manufacturing sector in the production of durable goods, the largest increase in employment between 1975 and 1979 was in the transportation equipment industry. Ship and boat building, repairing, storing, and servicing activities increased sharply between 1975 and 1979. In 1979 approximately 330 persons were employed in this industry. Henry R. Hinckley Company, Southwest Boat Corporation, and Billings Diesel and Marine Service, Inc., are the largest firms in the transportation equipment industry in Hancock County.

Within nondurable goods in the county, the largest increase in employment between 1975 and 1979 was in the paper and allied products industry. This industry is represented by one firm, the St. Regis Paper Company of Bucksport. Expansion programs at the Bucksport plant were responsible for a substantial increase in employment in the paper and allied products industry between 1975 and 1979.

Jobs within the nonmanufacturing sector in Hancock increased by 8.2 percent between 1975 and 1979, or from 9,100 to 9,850. Within nonmanufacturing, the wholesale and retail trade industry has grown substantially. Between 1975 and 1979, employment in this industry rose by 26.2 percent, or an increase of 610 jobs. Eating and drinking establishments; apparel

and accessory stores; and building materials, hardware, and garden supply centers were the fastest growing industries in wholesale and retail trade and accounted for 350 of the additional jobs.

The second largest increase in employment over the 1975-1979 period occurred in transportation and public utilities, which recorded an increase of 15.6 percent, or from 320 in 1975 to 370 in 1979. Within this industry, the fastest growing sectors were water transportation and transportation by air. These two sectors accounted for 35 new jobs. Employment growth in firms providing freight and passenger water transportation and excursion and sightseeing tours was primarily responsible for these new jobs. Also, Bar Harbor Airlines evidenced some growth.

With the exception of government and contract construction, all industries in the county's nonmanufacturing sector registered increases in employment between 1975 and 1979. Employment in finance, insurance, and real estate increased by 16.2 percent, or from 370 to 430, while employment in services rose by 9.8 percent, or from 2,660 to 2,920. Employment in contract construction registered a decline of 4.1 percent, or from 970 to 930. Employment in government recorded a decrease of 7.8 percent, or from 2,450 in 1975 to 2,260 in 1979.

### SECTION III

#### SHORT-TERM INDUSTRIAL TRENDS

Hancock County showed modest improvement in employment growth during the first three quarters of 1980. Nonfarm wage and salary employment in Hancock County averaged 12,450 during the first nine months of 1980. This represents an increase of 2 percent over the average employment registered during the first nine months of 1979. By comparison, nonfarm wage and salary employment averaged 12,100 during the first nine months of 1979 compared with 12,200 during the corresponding months of 1979, or an increase of only 0.8 percent.

Manufacturing employment in Hancock County averaged 2,500 during the first nine months of 1980, or an increase of 4.2 percent compared with the corresponding period of 1979. Within the durable goods sector, employment in other durable goods increased by 9.1 percent, or from 220 to 240. Continued strong demand for metal forgings and stampings and electrical equipment and electronic components were primarily responsible for higher employment in the fabricated metal products, nonelectrical machinery, and electric and electronic equipment industries (other durable goods).

Within nondurable goods in the county, the largest gain in employment between the first three quarters of 1979 and 1980 was in the paper and allied products industry. Employment continued to increase at the St. Regis Paper Company plant during 1980. Strong demand for lightweight, coated, publication paper was largely responsible for the rise in employment at the Bucksport plant. Expansion programs are expected to provide further gains in employment in 1981.



Nonmanufacturing employment in the county increased by 1.5 percent between the first nine months of 1979 and 1980, or from 9,800 to 9,950. With the exception of services; finance, insurance, and real estate; and government, all major industries in nonmanufacturing registered decreases in employment. Employment in government averaged 2,170 during the first three quarters of 1980 compared with 2,020 during the corresponding months of 1979, or an increase of 7.4 percent. Gains in employment were recorded in federal, state, and local government.

Employment in services averaged 3,210 during the first nine months of 1980 compared with 3,000 during the same months in 1979, or an increase of 7 percent. Within this group, the two fastest growing industries were educational services and hotels and other lodging places, in which employment increased by 30 and 18.2 percent, respectively. Employment in educational services averaged 130 during the first nine months of 1980 compared with 100 during the corresponding months of 1979. Increased enrollment and staffing at the College of the Atlantic in Bar Harbor and Stevens Academy at Blue Hill were primarily responsible for the rise in employment in educational services. Employment in hotels and other lodging places averaged 520 during the first nine months of 1980 compared with 440 during the same period in 1979. Marked improvement in the 1980 summer-tourist season and the expansion of motor inns, lodges, and motels were mainly responsible for the increase in employment in hotels and other lodging places. Much of the growth in this industry occurred on Mount Desert Island.

In Hancock County, resident employment is expected to show very little growth in 1981, while higher unemployment is anticipated for most of the year. Manufacturing employment is expected to remain relatively stable in 1981. Employment gains in other durable goods and in the paper and allied products industry may be nullified by declining employment in the food and kindred products industry and a continued slump in the lumber and wood products industry. The rate of growth in nonmanufacturing employment is expected to moderate in 1981.

Table 1

NONFARM WAGE AND SALARY EMPLOYMENT IN HANCOCK COUNTY,  
1975-1980 <sup>1/</sup>

Industry	1975	1976	1977	1978	1979	1980
Nonfarm Wage and Salary.....	11,250	11,600	11,550	11,950	12,300	12,450
Manufacturing.....	2,150	2,300	2,550	2,550	2,450	2,500
Durable Goods.....	500	550	620	650	700	700
Lumber and Wood Products, except Furniture.....	140	160	200	160	150	130
Transportation Equipment.....	260	280	290	310	330	330
Other Durable Goods <sup>2/</sup> .....	100	110	130	180	220	240
Nondurable Goods.....	1,650	1,750	1,930	1,900	1,750	1,800
Food and Kindred Products.....	560	560	580	530	540	520
Other Nondurable Goods <sup>3/</sup> .....	1,090	1,190	1,350	1,370	1,210	1,280
Nonmanufacturing.....	9,100	9,300	9,000	9,400	9,850	9,950
Contract Construction.....	970	1,030	860	940	930	800
Transportation, Communications, and Public Utilities.....	320	350	360	360	370	350
Wholesale and Retail Trade.....	2,330	2,550	2,590	2,780	2,940	3,000
Finance, Insurance, and Real Estate.....	370	360	390	410	430	420
Nondomestic Services and Mis- cellaneous Nonmanufacturing.....	2,660	2,690	2,760	2,820	2,920	3,210
Government.....	2,450	2,320	2,040	2,090	2,260	2,170

<sup>1/</sup> Data developed and compiled in cooperation with the U. S. Bureau of Labor Statistics and the U. S. Employment and Training Administration and are based in part on complete reports from all firms subject to the Maine Employment Security Law. Firms were assigned to industries in accordance with the 1972 Standard Industrial Classification Manual. Data represent annual averages for 1975-1979 and a nine-month average for 1980.

<sup>2/</sup> Other Durable Goods Includes: Furniture and Fixtures; Stone, Clay, Glass, and Concrete Products; Fabricated Metal Products; Machinery, except Electrical; and Electronic Machinery, Equipment and Supplies.

<sup>3/</sup> Other Nondurable Goods includes: Apparel; Paper and Allied Products; Printing, Publishing, and Allied Industries; Petroleum Refining and Related Industries; and Miscellaneous Manufacturing Industries.

Table 2

NONFARM WAGE AND SALARY EMPLOYMENT IN HANCOCK COUNTY,  
1979-1980 1/

Industry	1980	1979	Employment Change 1979-1980	
			Actual	Percent
Nonfarm Wage and Salary.....	<u>12,450</u>	<u>12,200</u>	<u>+250</u>	<u>+ 2.0</u>
Manufacturing.....	<u>2,500</u>	<u>2,400</u>	<u>+100</u>	<u>+ 4.2</u>
Durable Goods.....	<u>700</u>	<u>680</u>	<u>+ 20</u>	<u>+ 2.9</u>
Lumber and Wood Products, except Furniture.....	130	140	- 10	- 7.1
Transportation Equipment....	330	320	+ 10	+ 3.1
Other Durable Goods <u>2/</u> .....	240	220	+ 20	+ 9.1
Nondurable Goods.....	<u>1,800</u>	<u>1,720</u>	<u>+ 80</u>	<u>+ 4.7</u>
Food and Kindred Products...	520	560	- 40	- 7.1
Other Nondurable Goods <u>3/</u> ...	1,280	1,160	+120	+10.3
Nonmanufacturing.....	<u>9,950</u>	<u>9,800</u>	<u>+150</u>	<u>+ 1.5</u>
Contract Construction.....	800	880	- 80	- 9.1
Transportation, Communications, and Public Utilities.....	350	370	- 20	- 5.4
Wholesale and Retail Trade....	3,000	3,110	-110	- 3.5
Finance, Insurance, and Real Estate.....	420	420	0	0.0
Nondomestic Services and Miscellaneous Nonmanufac- turing.....	3,210	3,000	+210	+ 7.0
Government.....	2,170	2,020	+150	+ 7.4

1/ Data developed and compiled in cooperation with the U. S. Bureau of Labor Statistics and the U. S. Employment and Training Administration and are based in part on complete reports from all firms subject to the Maine Employment Security Law. Firms were assigned to industries in accordance with the 1972 Standard Industrial Classification Manual. Data provided are nine-month averages for each year.

2/ Other Durable Goods includes: Furniture and Fixtures; Stone, Clay, Glass, and Concrete Products; Fabricated Metal Products; Machinery, except Electrical; and Electronic Machinery, Equipment and Supplies.

3/ Other Nondurable Goods includes: Apparel; Paper and Allied Products; Printing, Publishing, and Allied Industries; Petroleum Refining and Related Industries; and Miscellaneous Manufacturing Industries.



## APPENDIX

### ADDITIONAL SOURCES OF LABOR MARKET INFORMATION APPLICABLE FOR EMPLOYMENT AND TRAINING PROGRAM PLANNING

Strategic employment program planning is a process of examining a local labor market to determine the problems that are most persistent, the population groups affected, and the available jobs for which those persons can be made employable. This appendix identifies selected data that may be analyzed by employment program planners to assess economic conditions in a local labor market. It is not a comprehensive treatment of all available labor market information for analytical purposes. The attempt is to identify only current data of particular importance to strategic employment program planning. Planners are encouraged to contact source agencies for a detailed explanation of each data item identified.

#### Bureau of Employment Security Reports/Data Items:

##### Publications

- LMI Newsletters
- Annual Planning Information
- Directory of LMI
- Affirmative Action Information
- Technical Services Monographs
- LMI on Special Worker Groups
- Occupational/Industrial Projections to 1982
- Occupational Staffing Patterns
- Occupational Wages in Manufacturing and Nonmanufacturing Industries
- Occupational Licensing Requirements
- Labor Market Reviews

##### Data Items

- Current Employment Statistics (CES)
- Labor Turnover Statistics (LTS)
- Employment, Wages, and Contributions (ES-202)
- Employment Security Automated Reporting System (ESARS)
- Characteristics of the Active File (ESARS, T-93)
- Applicants and Nonfarm Job Openings by Classification (ESARS, T-96)
- LMI Analytical Table Series
- Local Area Unemployment Statistics (LAUS)
- Characteristics of the Insured Unemployed (ES-203)
- Lawrence Berkeley Laboratory Data (LBL)
- Survey of Income and Education (SIE)

Other Agency Reports Information:

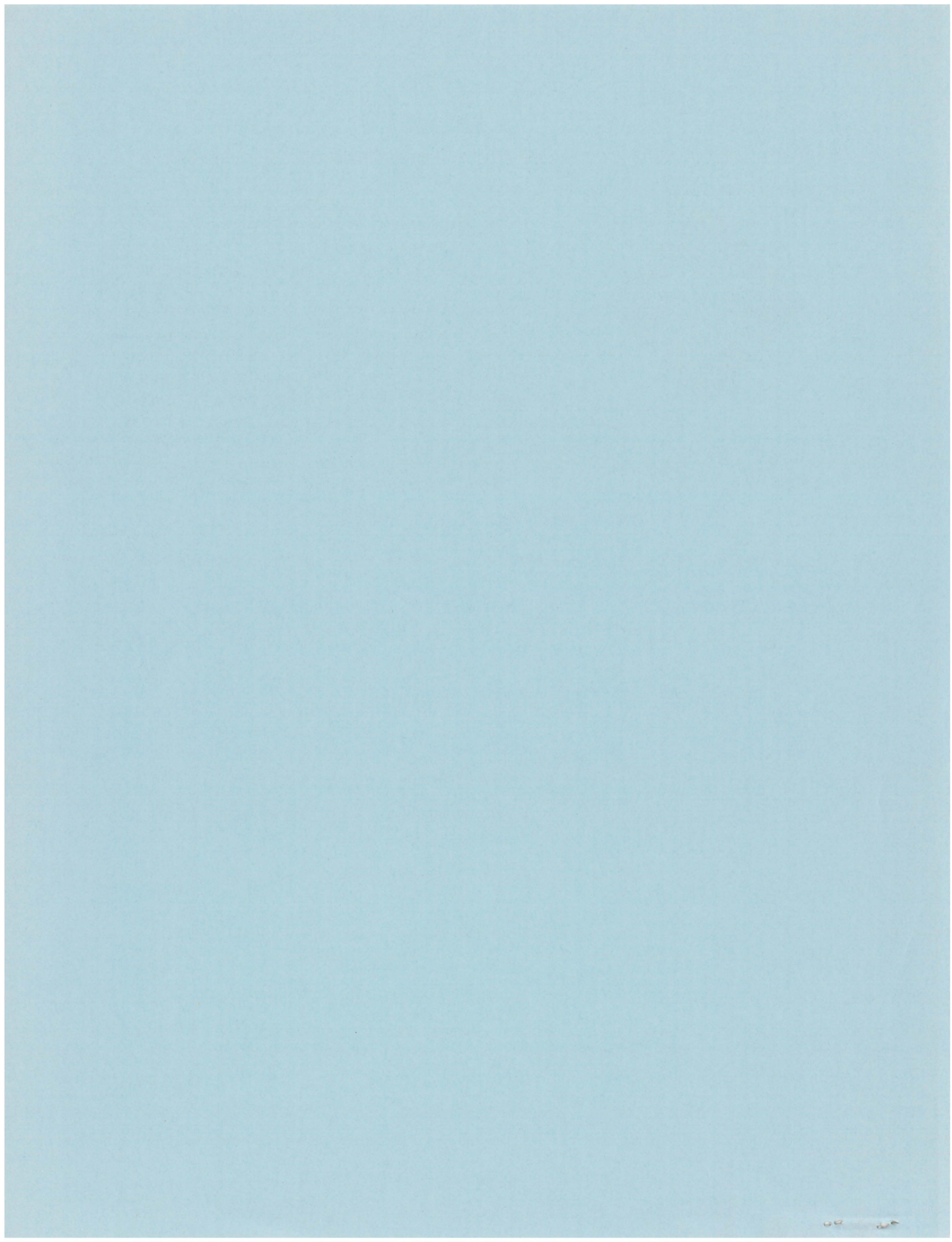
- Census Series (Demographics, Economic)
- Summary Manpower Indicators
- Current Population Reports
- U.S. Industrial Outlook
- BLS Area Wage Surveys
- Current Population Survey
- Employment and Earnings
- Occupational Outlook Handbook
- Employment and Training Report of the President
- Economic Report of the President
- Occupational Information System
- Career Information Delivery System

References for Interpreting LMI:

- Standard Industrial Classification Manual (SIC)
- Dictionary of Occupational Titles (DOT)
- ETA Glossary of Terms
- Cross-Code Index
- BLS Handbook of Methods

Reference Agencies:

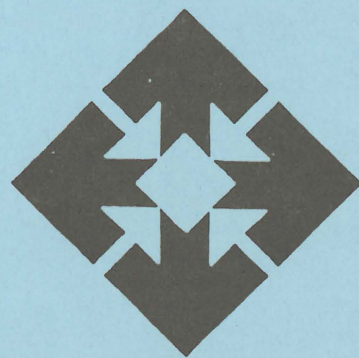
- Bureau of Employment Security
- Maine Occupational Information Coordinating Committee (MOICC)
- Bureau of Labor Statistics (Regional Office)
- Government Printing Office Bookstores
- U.S. Department of Commerce (District Office)





The perceptual movement of the figure illustrates the two facets of research. Viewed one way, the four small arrows pointing to the central square represent the varied inputs to a research project. Viewed another way, the four large arrows pointing outward represent the widespread dissemination of the results of research.

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